

Improving Solid Waste Management Practices

Ozd, Hungary

Background

Solid waste collection and disposal and landfill maintenance have typically been subsidized through city taxes, with only a portion of the actual costs paid by customers. In the City of Ozd (population 47,000), the solid waste services were fragmented, with a city-owned company, Komszolg, being responsible for solid waste collection, and the city being responsible for landfill maintenance. Both services were inadequately funded, with user fee revenues insufficient to meet annual operating costs or to provide any funds for capital investments. Although the city government had provided operating subsidies to the Komszolg in recent years, city officials were facing their own financial constraints. Waste collection fees had been raised but still did not reflect the real cost, and there was a high percentage of uncollected bills. The financial situation of the Komszolg was complicated by its weak budgeting process (inadequate bookkeeping, collection and reporting of financial information, and management of the budgeting process) and absence of a realistic operating and capital budget. The financial reports generated by the Komszolg did not provide useful management information, and there was no central planning or coordination of company finances. In addition, the quality of management of the landfill was declining.

Innovation

To improve the deteriorating solid waste collection and landfill practices, the City of Ozd formed a management committee to oversee the Komszolg, with a city councilor serving as chair. The Komszolg was required to prepare a business plan and a technical plan to be formally approved by the City Council. To coordinate solid waste services, the city transferred responsibility for landfill operations to the Komszolg, and the landfill disposal fee was tripled. The solid waste containers were transferred to the Komszolg's ownership. To improve the financial situation of the Komszolg, the city agreed to waive all rental fees for the building occupied by the Komszolg and made a one-time grant to the Komszolg to be used as an operating subsidy, and a capital grant for the purchase of new trucks and equipment.

City officials agreed to prepare legislation for a special local tax that would be earmarked for solid waste collection. If approved, this tax would be substituted for the existing local collection fees to eliminate problems with uncollected bills.

Results

The operations of the landfill have greatly improved; for example, all garbage is covered on a daily basis, reducing pollution and contamination, and a peripheral surface drainage system has been installed to eliminate leaching of contaminants into the landfill's ponds. The city has also taken additional steps to improve solid waste disposal: it prepared a detailed plan for landfill upgrades and submitted a request to the county and central government officials for support in implementing its plans. Another result of the initiatives is that the Komszolg's financial position has been improving.

Summary

To improve the deteriorating solid waste collection and disposal services, the City of Ozd formed a management committee to oversee the Komszolg, transferred responsibility for landfill operations to the Komszolg, tripled the landfill disposal fee, and prepared legislation for a local solid waste collection tax. The landfill operations were greatly improved, the city prepared a detail plan for landfill upgrades, and the Komszolg's financial position has improved.

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